

# State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Commissioner Donald S. Hill

April  
FY 2003

## Monthly Revenue

	<u>FY 03</u>	<u>FY 02</u>	<u>Inc/(Dec)</u>
<b>Gen &amp; Educ</b>	<b>\$ 230.7</b>	<b>\$ 203.0</b>	<b>\$ 27.7</b>
<b>Highway</b>	<b>\$ 18.2</b>	<b>\$ 17.9</b>	<b>\$ .3</b>
<b>Fish &amp; Game</b>	<b>\$ .4</b>	<b>\$ .4</b>	<b>\$ -</b>

## YTD Revenue

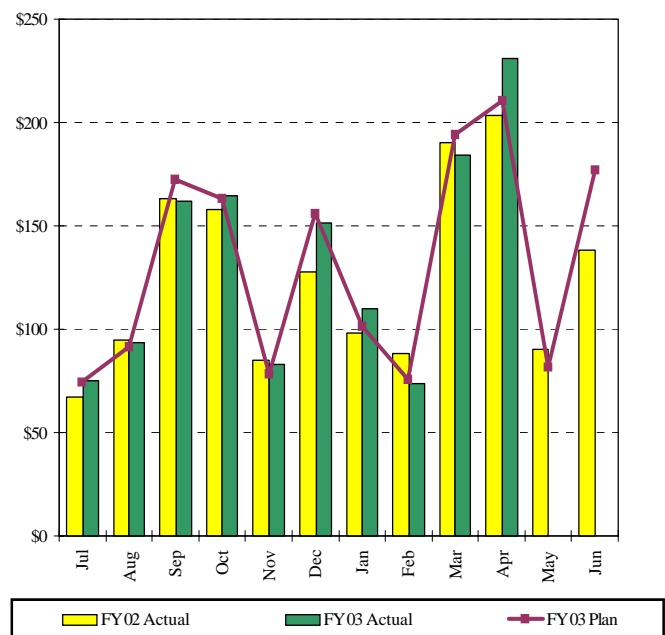
	<u>FY 03</u>	<u>FY 02</u>	<u>Inc/(Dec)</u>
<b>Gen &amp; Educ</b>	<b>\$1,780.7</b>	<b>\$1,728.6</b>	<b>\$ 52.1</b>
<b>Highway</b>	<b>\$ 181.2</b>	<b>\$ 174.5</b>	<b>\$ 6.7</b>
<b>Fish &amp; Game</b>	<b>\$ 6.3</b>	<b>\$ 5.9</b>	<b>\$ .4</b>

## Current Month Analysis

<b>General &amp; Education Funds</b>	<i>FY03 Actuals</i>	<i>FY03 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$ 32.7	\$ 47.3	\$ (14.6)
Business Enterprise Tax	31.8	22.9	8.9
Subtotal	64.5	70.2	(5.7)
Meals & Rooms Tax	12.8	14.3	(1.5)
Tobacco Tax	8.5	6.6	1.9
Liquor Sales and Distribution	7.0	6.9	0.1
Interest & Dividends Tax	19.7	31.0	(11.3)
Insurance Tax	1.0	0.3	0.7
Communications Tax	5.5	5.8	(0.3)
Real Estate Transfer Tax	7.7	6.5	1.2
Estate & Legacy Tax	20.2	4.5	15.7
Court Fines & Fees	2.1	2.1	-
Securities Revenue	12.4	11.8	0.6
Utility Tax	0.6	0.5	0.1
Board & Care Revenue	1.6	1.0	0.6
Beer Tax	0.8	0.9	(0.1)
Racing Revenue	0.3	0.3	-
Other	4.8	3.9	0.9
Transfers from Sweepstakes	6.2	5.5	0.7
Tobacco Settlement	34.1	33.4	0.7
Utility Property Tax	3.7	5.2	(1.5)
Property Tax Not Retained Locally	-	-	-
Property Tax Retained Locally	-	-	-
Subtotal	213.5	210.7	2.8
Net Medicaid Enhancement Rev	17.2	0.1	17.1
Subtotal	230.7	210.8	19.9
Other Medicaid Enhancement Rev to Fund Net Appropriations	-	-	-
Total	\$ 230.7	\$ 210.8	\$ 19.9

## Monthly Unrestricted Revenue

*Excluding State Property Tax-Local*

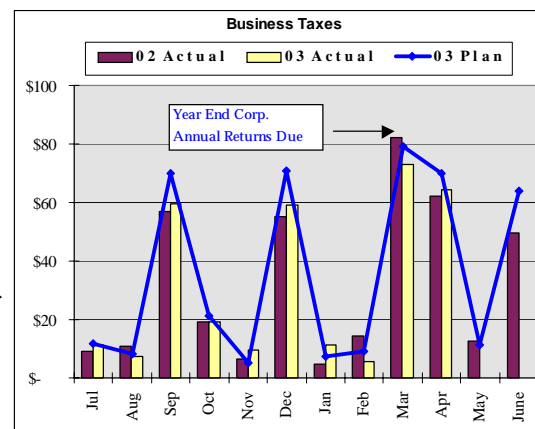


All funds reported in Millions and on a Cash Basis

## 2 NH Revenue Focus - April FY 2003

Unrestricted revenue for the General and Education Funds for April, totaled \$230.7 million, which was above the plan by \$19.9 million and above prior year by \$27.7 million. A monthly shortfall would have occurred had it not been for a substantial one-time gain in **Estate & Legacy Taxes**, which brought in \$15.7 million over plan, and the Medicaid Revenue gain described below. Year to date unrestricted revenue totaled \$1,780.7 million, which was above the annual plan by \$9.6 million and above prior year by \$52.1 million.

For the third consecutive month, revenue from **Business Taxes** has lagged the plan. April revenue totaled \$64.5 million, which was \$5.7 million below the plan. Year to date revenue of \$320.6 million was \$33.9 million short of plan. When compared to prior year, both monthly and year to date results were relatively flat. Because March and April were significant collection months, it is anticipated that revenue from 2<sup>nd</sup> quarter estimated payments due in June will continue to fall short of the plan.



Revenue generated from the **Interest and Dividends Tax** in April totaled \$19.7 million, which fell short of plan and prior year by \$11.3 million and \$6.1 million, respectively. Year to date performance also fell short of plan and prior year by \$18.6 million and \$13.3 million, respectively. Final returns and the first quarter estimate were due April 15. Although personal dividend income increased slightly nationwide over the prior year, it did not offset the significant decline in interest income as a result of reduced interest rates.

During April, the state received \$34.1 million of the annual payment from the nationwide **Tobacco Settlement**. Year to date revenue totaled \$48.3 million and pursuant to Chapter 212 L'00, \$3.0 million has been deposited in the Tobacco Prevention Fund as restricted revenue, \$40.0 million in the Education Trust Fund, and the balance of \$5.3 million deposited into the General Fund.

During April, the state received an annual payment of \$650,000 from the Pease Development Authority for repayment on their outstanding loan balance with the state. The payment is reflected in the **Other** category.

As discussed in the March Revenue Focus report, the Department of Health and Human Services (HHS) revised the billing methodology for prior fiscal years under the **Medicaid Proportionate Share program (Proshare)**. The gain from these transactions totaled \$15.3 million and has been recorded as Unrestricted Revenue under Net Medicaid Enhancement Revenue. This gain can be allocated to fiscal year activity as follows: additional billing for FY 2000 with small adjustments to FY 1998 and FY 1999 (\$2.6 million); additional billing for FY 2001 (\$4.2 million); and all of FY 2002 including the amount previously deferred as restricted revenue (\$8.5 million). These costs are being reported to the federal government and upon final approval, the State will then process the FY 2003 Proshare billing.

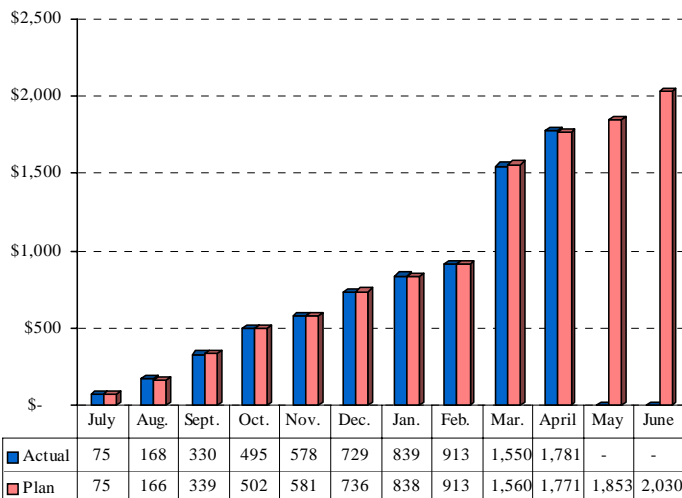
Comparison to FY 02

	Monthly			Year-to-Date			
General & Education Funds	FY03 Actuals	FY02 Actuals	Inc/(Dec)	FY03 Actuals	FY02 Actuals	Inc/(Dec)	% Inc/(Dec)
Business Profits Tax	\$ 32.7	\$ 31.1	\$ 1.6	\$ 145.5	\$ 134.2	\$ 11.3	8.4%
Business Enterprise Tax	31.8	31.2	0.6	175.1	187.1	(12.0)	-6.4%
Subtotal	64.5	62.3	2.2	320.6	321.3	(0.7)	-0.2%
Meals & Rooms Tax	12.8	12.9	(0.1)	149.1	144.5	4.6	3.2%
Tobacco Tax	8.5	7.2	1.3	76.8	71.0	5.8	8.2%
Liquor Sales and Distribution	7.0	6.8	0.2	83.9	79.7	4.2	5.3%
Interest & Dividends Tax	19.7	25.8	(6.1)	47.6	60.9	(13.3)	-21.8%
Insurance Tax	1.0	0.6	0.4	65.9	59.8	6.1	10.2%
Communications Tax	5.5	5.6	(0.1)	52.9	51.6	1.3	2.5%
Real Estate Transfer Tax	7.7	6.8	0.9	99.1	79.4	19.7	24.8%
Estate & Legacy Tax	20.2	2.7	17.5	59.2	50.4	8.8	17.5%
Court Fines & Fees	2.1	2.1	0.0	21.8	22.2	(0.4)	-1.8%
Securities Revenue	12.4	12.1	0.3	24.4	24.9	(0.5)	-2.0%
Utility Tax	0.6	0.5	0.1	5.1	5.3	(0.2)	-3.8%
Board & Care Revenue	1.6	0.9	0.7	8.9	8.4	0.5	6.0%
Beer Tax	0.8	0.8	-	10.1	10.1	-	0.0%
Racing Revenue	0.3	0.3	-	3.3	3.4	(0.1)	-2.9%
Other	4.8	4.0	0.8	42.1	38.1	4.0	10.5%
Transfers from Sweepstakes	6.2	5.7	0.5	50.3	53.0	(2.7)	-5.1%
Tobacco Settlement	34.1	34.3	(0.2)	45.3	44.6	0.7	1.6%
Utility Property Tax	3.7	2.2	1.5	13.5	12.0	1.5	12.5%
Property Tax Not Retained Locally	-	2.8	(2.8)	32.7	29.0	3.7	12.8%
Property Tax Retained Locally	-	-	-	453.0	454.1	(1.1)	-0.2%
Subtotal	213.5	196.4	17.1	1,665.6	1,623.7	41.9	2.6%
Net Medicaid Enhancement Rev	17.2	6.6	10.6	105.0	92.0	13.0	14.1%
Subtotal	230.7	203.0	27.7	1,770.6	1,715.7	54.9	3.2%
Other Medicaid Enhancement Rev to Fund Net Appropriations	-	-	-	10.1	12.9	(2.8)	-21.7%
Total	\$ 230.7	\$ 203.0	\$ 27.7	\$ 1,780.7	\$ 1,728.6	\$ 52.1	3.0%

## Year-to-Date Analysis

General & Education Funds	General		Education		Total		
	Actual	Plan	Actual	Plan	Actual	Plan	Actual vs. Plan
Business Profits Tax	\$ 118.1	\$ 191.2	\$ 27.4	\$ 27.4	\$ 145.5	\$ 218.6	\$ (73.1)
Business Enterprise Tax	95.9	56.7	79.2	79.2	175.1	135.9	39.2
Subtotal	214.0	247.9	106.6	106.6	320.6	354.5	(33.9)
Meals & Rooms Tax	143.3	156.4	5.8	6.9	149.1	163.3	(14.2)
Tobacco Tax	54.6	49.8	22.2	20.2	76.8	70.0	6.8
Liquor Sales and Distribution	83.9	80.6	-	-	83.9	80.6	3.3
Interest & Dividends Tax	47.6	66.2	-	-	47.6	66.2	(18.6)
Insurance Tax	65.9	49.2	-	-	65.9	49.2	16.7
Communications Tax	52.9	59.2	-	-	52.9	59.2	(6.3)
Real Estate Transfer Tax	66.1	53.5	33.0	26.4	99.1	79.9	19.2
Estate & Legacy Tax	59.2	45.7	-	-	59.2	45.7	13.5
Court Fines & Fees	21.8	21.2	-	-	21.8	21.2	0.6
Securities Revenue	24.4	26.3	-	-	24.4	26.3	(1.9)
Utility Tax	5.1	4.5	-	-	5.1	4.5	0.6
Board & Care Revenue	8.9	9.1	-	-	8.9	9.1	(0.2)
Beer Tax	10.1	10.0	-	-	10.1	10.0	0.1
Racing Revenue	3.3	3.3	-	-	3.3	3.3	-
Other	42.1	38.0	-	-	42.1	38.0	4.1
Transfers from Sweepstakes	-	-	50.3	49.5	50.3	49.5	0.8
Tobacco Settlement	5.3	4.4	40.0	40.0	45.3	44.4	0.9
Utility Property Tax	-	-	13.5	15.4	13.5	15.4	(1.9)
Property Tax Not Retained Locally	-	-	32.7	32.7	32.7	32.7	-
Property Tax Retained Locally	-	-	453.0	453.0	453.0	453.0	-
Subtotal	908.5	925.3	757.1	750.7	1,665.6	1,676.0	(10.4)
Net Medicaid Enhancement Rev	105.0	85.0	-	-	105.0	85.0	20.0
Subtotal	1,013.5	1,010.3	757.1	750.7	1,770.6	1,761.0	9.6
Other Medicaid Enhancement Rev to Fund Net Appropriations	10.1	10.1	-	-	10.1	10.1	-
Total	\$ 1,023.6	\$ 1,020.4	\$ 757.1	\$ 750.7	\$ 1,780.7	\$ 1,771.1	\$ 9.6

### Cumulative Unrestricted Revenue



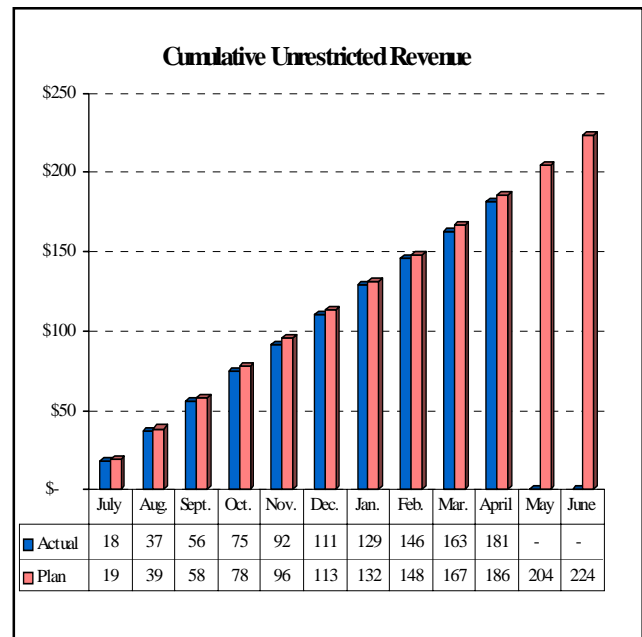
### Education Trust Fund Statement of Activity - FY 2003 July 1, 2002 to April 30, 2003

Description	In Millions
Beginning Cash Balance	\$ (18.5)
Unrestricted Revenue - See above	757.1
Transfers from General Fund Appropriations	83.4
Expenditures	
Education Grants & Adm Costs	(897.9)
Ending Cash Balance	\$ (75.9)

## Year-to-Date Analysis

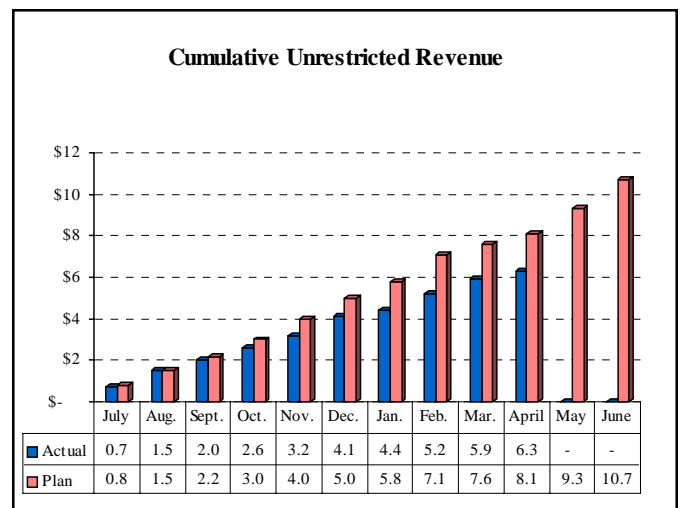
### Highway Fund

Revenue Category	FY 03 Actuals	FY 03 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 104.6	\$ 106.7	\$ (2.1)
Miscellaneous	4.0	7.1	(3.1)
<b>Motor Vehicle Fees</b>			
MV Registrations	52.4	51.9	0.5
MV Operators	10.6	12.1	(1.5)
Inspection Station Fees	1.8	1.8	-
MV Miscellaneous Fees	3.5	3.9	(0.4)
Certificate of Title	4.3	2.6	1.7
<b>Total Fees</b>	<b>72.6</b>	<b>72.3</b>	<b>0.3</b>
<b>Total</b>	<b>\$ 181.2</b>	<b>\$ 186.1</b>	<b>\$ (4.9)</b>



### Fish & Game Fund

Revenue Category	FY 03 Actuals	FY 03 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 5.4	\$ 6.8	\$ (1.4)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.3	0.4	(0.1)
Federal Recoveries Indirect Costs	0.5	0.8	(0.3)
<b>Total</b>	<b>\$ 6.3</b>	<b>\$ 8.1</b>	<b>\$ (1.8)</b>



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